

Tobacco prices trending up in Karnataka auctions

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Tobacco auctions in Karnataka have started on a positive note and the average prices, as reflected in the initial trends, are higher than the previous year, growers said.

As per Tobacco Board data, 20 million kg have been sold across all the 12 platforms in Karnataka till November 2, since the auctions in late September. The cumulative average price in this year's auc-

tion, so far, is ₹138.66 a kg, higher than last year's average of ₹135 per kg.

Flue Cured Virginia (FCV) is the main variety of tobacco produced in the Karnataka Light Soil regions of Mysuru district. FCV tobacco, because of its neutral character, is used as a filler as it blends well with other varieties and has a high demand in the overseas market. Bulk of the FCV tobacco produced in the State is exported.

The volumes marketed

through auction platforms so far account for over a fifth of Karnataka's authorised crop size of 99 million kgs for 2017. The widespread rains in the growing regions coupled with the package of practices adopted by the growers had resulted in better yields and could expand the crop size by 5-7 per cent to around 105 million kg, said Vikram Urs, Secretary, Federation of Virginia Tobacco Growers Association in Karnataka.